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SUBJECT: CHEN SHUI-BIAN'S STRATEGY AND THE NUC/NUG

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- 11. Summary: This cable is one of two looking at the local media and commentators' take on Taiwan's current political environment. This one focuses on reactions to Chen's announcement in his January 29 Lunar New Year's Day speech that he "is seriously considering [the options] to abolish the National Unification Council (NUC) and National Unification Guidelines (NUG)." The earlier cable (reftel) focused on Ma Ying-jeou's recent discourse. This cable is an analysis by one of AIT's senior local employees in the Press Section of Taiwan media commentary over the last month. End summary.
- 12. The controversy over whether President Chen might abolish the NUC and NUG set off a political firestorm domestically, across the Taiwan Strait, and between Taiwan and the United States. One of the many reasons given by Chen's aides to explain his move was that it was aimed primarily at rebutting KMT Chairman Ma Ying-jeou's comment in an interview with "Newsweek" last December, in which Ma revealed that the KMT's ultimate goal is to seek "eventual unification with China." Deputy Editor-in-Chief Tsou Jiing-wen of Taiwan's biggest daily, the pro-independence "Liberty Times," described Chen's motives vividly in a February 17 front-page story entitled "[The Decision to] Abolish the National Unification Council and National Unification Guidelines Will Be Moved Ahead and Made Within February." According to the article, last December's 3-in-1 elections in Taiwan marked an important watershed for Chen.
- $\P 3$ . "Ma's unification comment worried Chen deeply," Tsou wrote. "Chen was concerned that Ma's comment would mislead on the direction of Taiwan's public opinion and slowly dissipate the Taiwan-centered consciousness formed and consolidated over the past six years. Likewise, Chen believes that such a development will confuse the international community and lead it to believe that once Ma wins the presidential elections in 2008, both sides of the Taiwan Strait will move gradually from the moderate route of maintaining the status quo to eventual unification," Tsou added. Chen thus decided that as a national leader, he needed to come out to correct the distorted situation and consolidate the people's democratic right to freedom of choice. Most DPP members agreed that Chen's preemptive approach has reaped the results he desired to achieve. They believe that the heated island-wide discussions over the past few weeks sparked by Chen's proposal have again put Taiwan-centered values back in a clear and new light; even Ma was forced to modify his unification comment by announcing in a KMT advertisement that Taiwan independence is included as a possible option for Taiwan people to decide their future.
- 14. The pan-Blue camp, however, viewed Chen's motives differently. KMT Legislator Sun Ta-chien said on a TV talk show that Chen has at least three strategic schemes in mind behind his move. First, the proposal could serve as a smoke screen for Chen to divert the media and Taiwan people's attention away from the DPP's corrupt image and

various scandals. Second, Chen wants to garner relevant resources in an attempt to replace former President Lee Teng-hui as the paramount leader of the pan-Green camp. [NOTE: Lee proclaimed the "special state-to-state relationship" doctrine in 1999, one year before he stepped down, in an apparent attempt to consolidate his post-presidential leadership of pro-independence. End NOTE.] Third, Sun argued, Chen wants to play the martyr to show the Taiwan people how strenuously he has been trying to fight the overwhelming pressure from both Washington and Beijing in an attempt to win back the support of deep-Green followers. Some analysts also speculated that Chen wants to use this move to keep incumbent Premier Su Tseng-chang, his potential competitor in the last two years of his

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presidency and the most promising DPP candidate for the 2008 presidential election, on a short leash. It is generally believed by pan-Blue-inclined commentators that Chen's strategy is to position himself on the high ground of Taiwan independence, which would assist him in avoiding criticism of his political ethics and capabilities by those within his party.

- 15. Pro-Green academic commentators, on the other hand, believe Chen's decision to do away with the NUC and NUG was aimed at establishing a legacy for his eight-year presidency. Lo Chih-cheng, Director of the Taipei-based Institute for National Policy Research (INPR), said at an academic forum that "Chen is seeking to leave his mark on the state of cross-Strait relations after his eight-year term, and that if he cannot push for Taiwan's independence as he wants to, at least he can rule out the possibility of unification." Chao Chien-min, Chairman of National Chengchi University's Sun Yat-sen Graduate Institute of Social Sciences of Humanities, said "Chen's cross-Strait policy has shifted from a middle-of-the-road position back to a more radical stand for reasons including his quest to leave a presidential legacy, and his wish to gain control of the issues platform to consolidate his power to eradicate a 'lame duck image, 'following a series of political defeats of his DPP administration." Chen's core aides emphasized that the abolition of the NUC and NUG, a card hidden in Chen's sleeve all the time, could be accomplished by Chen quickly because it is within his power to do so. Chen allowed the topic to brew for a period of time because he wanted Taiwan and the international society to understand that "people's power and decision" is the most essential safety mechanism for the island. This is also one of the mantras of "justification" the Chen Shui-bian administration has been chanting to convince Washington, Chen's core aides added.
- 16. Jaw Shao-kang, a well-known pro-Blue TV/radio commentator, said Chen has shown that he can succeed with his plan if he remains firm and unbending, as evidenced by his determination in holding Taiwan's first-ever defensive referendum in March 2004 in the face of overwhelming pressure from Washington.
- 17. Most commentators had speculated that Chen would choose to announce his decision to abolish the NUC and NUG on February 28, when the local stock market would be closed for the national holiday in commemoration of the 1947 February 28 Incident; the announcement would thus have a smaller impact on Taiwan's stock trading. Chen did, as expected, announce following a National Security Council on February 27 that the NUC would "cease to function" and the NUG "would cease to apply." Despite the repercussions caused by the wording with regard to the NUC and NUG, both pro-Blue and pro-Green commentators said they believe that Chen's announcement has shown the world that Taiwan's leader can not only participate in, but can also dominate, the process that defines the status quo in the Taiwan Strait. Moreover, as journalist Hsiao Hsu-tsen pointed out in a news analysis in the "China Times," Chen has directly challenged Taiwan's Constitution in terms of unification with China and has successfully made the unification/independence argument a major topic for the campaigning of the presidential election in 2008.
- ¶8. Most critics assess that 2006 will not be a calm year for cross-Strait relations as a number of major cross-Strait events are due to occur, including: the first anniversary of China's passage of the "Anti-Secession Law" (March 14); the 10th anniversary of the 1996 Taiwan Strait crisis (March 8-23); the first anniversary of Taiwan's major demonstration in protest of China's passage of the "Anti-Secession Law" (March 26); the DPP's grand debates on the party's cross-Strait policy slated for March and April; the meeting

between U.S. President George W. Bush and Chinese President Hu Jintao in April; large-scale U.S. military exercises in the Pacific this summer; and the DPP's plan to introduce a draft constitution for Taiwan in June.

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